

## National and International Satellite Network

### Project Summary

<b>Subsector</b>	Telecommunication
<b>Location</b>	Afghanistan Countrywide
<b>Project Cost</b>	\$5.5 Million
<b>Project Type</b>	Satellite Network Installation
<b>Project Executing Firm/Agency</b>	Ministry of Communications
<b>Financing Agency /</b>	Government of Afghanistan /
<b>Procurement Agency</b>	Afghan Assistance Coordination Authority (AACAA)



## Project Outline

An effective communications infrastructure is crucial for the Government of Afghanistan's stability, national unity, conflict resolution, and demobilization and reintegration of former combatants. It is also an essential ingredient for stimulating investment activity and restoring the productive capacity of the economy. The strategic focus of the Telecommunications sub-program is to rehabilitate and modernize Afghanistan's telecommunications network, postal system and human capital to:

- Support and reinvigorate economic and social development in Afghanistan
- Encourage private sector (and community) investment in telecommunications.

Key Telecommunications achievements in 1382 (FY2003-2004) include completion of a number of emergency infrastructure projects; establishment of a preliminary policy framework and development plan; private sector investment of around \$USD16.4m; modernization of internal Ministry communications management systems; and identification and commencement of a range of investment projects to support the rebuilding of the Telecommunications sub-sector. There are several guiding principles that underpin the Telecommunications sub-program strategies:

- Accelerate the unification of a fractured society;
- Enable the Government to execute its operations more efficiently in all sectors;
- Stimulate investment activity in all sectors and ignite economic growth;
- Produce significant revenues for the Treasury for operations, licensing fees and taxation on service providers;
- Maximize efficiency of scarce financial resources by avoiding duplication of infrastructure investment projects, especially by different Government departments;
- Encourage private sector investment in Afghanistan's telecommunications sector;
- Accelerate creation of new opportunities for women, refugees, rural areas and former combatants; and
- Support and enhance national and civil security.

## **Technical Description**

As the top priority project, the Ministry of Communications plans to install national and international satellite network to provide immediate coverage to all 32 provinces, where it will provide high capacity communications (voice, data and internet) to all areas equipped with earth station facilities. The new network will provide a common infrastructure that can be used by all sectors and government departments including banking, interior, education, mining, health, etc. as well as establish infrastructure frameworks for postal tele-centers and a national postal bank. This new system will be versatile enough to also distribute television programming nationally.

This project is necessary because there is currently no national backbone, connectivity or platform to manage international call traffic in Afghanistan, and there are no communication services within most of the country.

The key benefits of the new satellite systems will be to have basic telecommunications between Afghanistan's medium-sized cities and remote government offices throughout the country. The government will have the ability to regain control over international call traffic and revenue as well as add basic phone service to hundreds of towns and cities. With establishing the satellite network Afghanistan will have a link to global telecommunications network and dramatically lower the cost of an international call.

## **Project Site**

The project would take place throughout Afghanistan.

## **Project Status/Timeline**

The project will be implemented as soon as the financing sources have been secured. It is estimated that the project will last between 3 and 6 months.

## **Equipment and Services**

The project requires the following equipment. It is anticipated that it will be procured on a turnkey basis.

- Hub, back-up hub, and supporting infrastructure
- Satellite access points in “tier 1” cities
- Satellite access points in “tier 2” cities
- Satellite access points for 200 other smaller destinations
- International gateway switch/router
- Tele-centers (public phones and internet) structures
- Network Operations Center
- Ongoing operations, maintenance and training

## **U.S. Competitiveness**

The U.S. is a leader in telecommunications and satellite related equipment. France, Germany, Pakistan, India and the UAE will be major competitors. U.S. firms can compete by providing high quality at competitive prices.

## **Project Financing**

The Ministry of Communications has requested \$5.55 million to fund this project. Funding is anticipated from the World Bank and donor nations.

## **Conclusion**

The goal of the proposed telecommunications project is to rebuild and retrain the telecommunications sector to support social cohesion, private investment and economic growth. The project should provide good opportunities for U.S. companies.

## Key Decision Makers

<b>Organization or Company Name</b>	Ministry of Communications
<b>Contact Person</b>	H.E. Mohd. Masoom Stanekzai
<b>Title</b>	Minister of Communications
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